

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

November 8, 2000

TRANSMITTED VIA FAX

(407) 740-0613 / ORIGINAL TO FOLLOW VIA U.S. MAIL

Ms. Robin Norton, Consultant for Lightyear Communications, Inc.
Technologies Management, Inc.
210 Park Avenue North
Winter Park, Florida 32789

RE: Lightyear Communications, Inc. (Docket No. 00-00996)

Dear Ms. Norton:

The Tennessee Regulatory Authority requests the following information regarding the Application of Lightyear Communications, Inc. (hereafter "Lightyear" or "Applicant") for a Certificate of Public Convenience and Necessity to provide facilities based local exchange and long distance telecommunications services within the State of Tennessee pursuant to TCA §65-4-201.

Administrative Requirements:

Please provide an organizational chart of the corporate structure of the applicant and its affiliates.

Financial Requirements:

Provide the following financial information of the applicant:

1. Estimated cost of the proposed network, switches, and unbundled network elements (UNEs).
2. Audited (if available) Year 2000 financial statements of the applicant (Balance Sheet, Income Statement, and Statement of Cash Flows).
3. *Projected* three year financial statements (Balance Sheet, Income Statement, and Statement of Cash Flows).
4. A three year capital expenditures budget that includes the following: Equipment to be deployed; Cost of Equipment; and Sources of funding Tennessee network, equipment, *UNEs*: cash, loan commitments, vendor credits, letters of credit, etc. (complete detail).
5. Please quantify amounts included in financial statements and projections relating to reciprocal compensation for terminating ISP traffic.
6. Reminder: TCA §65-4-125 amendment states that all telecommunications service providers subject to the control and jurisdiction of the authority, *except* those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to


Tennessee Code Annotated, §65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than *five million (\$5,000,000)*, shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of *twenty thousand dollars (\$20,000)* to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the Authority. **Please submit a corporate surety bond or irrevocable letter of credit to the TRA on the provided sample forms, if applicable.**

Miscellaneous:

1. Please state if applicant plans to offer services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?
2. Note: A wireline Activity Report should be submitted to the TRA on a monthly basis for approved applicants once service commences. This information provides the TRA with data regarding the status of local telephone competition in Tennessee.

Please submit the requested information by November 23, 2000. If you have any questions, please contact this office at (615) 741-2904 (ext. 132).

Sincerely,


David Waddell
Executive Secretary

C: Docket File
 Joe Werner
 Darlene Standley
 Carsie Mundy

Attachment: (1)